



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

April 16, 2025

Tina Hinshaw

[Tina.hinshaw@akumin.com](mailto:Tina.hinshaw@akumin.com)

**Exempt from Review – Replacement Equipment**

**Record #:** 4737  
**Date of Request:** March 13, 2025  
**Facility Name:** Alliance Imaging, Inc.  
**FID #:** 040265  
**Business Name:** Alliance Healthcare Services, Inc.  
**Business #:** 60  
**Project Description:** Replace mobile MRI scanner  
**County:** New Hanover

Dear Ms. Hinshaw:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced project is exempt from certificate of need review in accordance with G.S. 131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the mobile MRI scanner ESP 37 Serial # 1M9A3A820BH022802 Siemens Espree to replace the mobile MRI scanner ESP 23 Serial # 1S9FA482181183250 Siemens Espree. This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

It should be noted that the Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory F. Yakaboski".

Gregory F. Yakaboski  
Project Analyst

A handwritten signature in black ink, appearing to read "Micheala Mitchell".

Micheala Mitchell  
Chief

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION  
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704  
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

**From:** [Tina Hinshaw](#)  
**To:** [Yakaboski, Greg](#)  
**Cc:** [Tina Hinshaw](#)  
**Subject:** [External] March 13 Letter ESP23 replaced by ESP37  
**Date:** Thursday, April 3, 2025 10:50:51 AM

---

**CAUTION:** External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Per our discussion:

ESP23 has been removed from use in NC and will not be used again in the State without first obtaining a certificate of need if one is required.

Thank you.  
Tina

**Tina Hinshaw**  
Vice President, Regional

logo



+1 805-325-3078



tina.hinshaw@akumin.com



akumin.com

---

This message contains information which may be confidential and/or privileged. Unless you are the intended recipient (or authorized to receive for the intended recipient), you may not use, copy or disclose to anyone this message or any information contained in this message. If you have received the message in error, please advise the sender by reply email and delete the message immediately from both your inbox and from your trash folder. Thank you.

**STATE OF NORTH CAROLINA**  
Department of Health and Human Services  
Division of Facility Services

**CERTIFICATE OF NEED**  
for  
**Project Identification Number F-7001-04**  
**FID#040265**

**ISSUED TO:** Alliance Imaging, Inc.  
1900 S State College Boulevard  
Suite 600  
Anaheim, CA 92806

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

**SCOPE:** Acquire one mobile magnetic resonance imaging (MRI) scanner. Initially, the host site shall be at a minimum – J. Arthur Doshier Hospital; Pender Memorial Hospital; and Delaney Radiology.

**CONDITIONS:** See Reverse Side

**PHYSICAL LOCATION:** J. Arthur Doshier Hospital  
924 Howe Street  
Southport, NC 28471

Pender Memorial Hospital  
507 E Freemont Street  
Burgaw, NC 28425

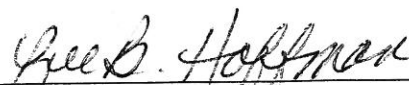
Delaney Radiology  
8115 Market Street  
Wilmington, NC 28411

**MAXIMUM CAPITAL EXPENDITURE:** \$2,900,000

**TIMETABLE:** See Reverse Side

**FIRST PROGRESS REPORT DUE:** July 1, 2005

This certificate is effective as of 8<sup>th</sup> day of March, 2005.

  
\_\_\_\_\_  
Chief, Certificate of Need Section  
Division of Facility Services

## CONDITIONS

1. Alliance Imaging, Inc. shall materially comply with all representations made in its certificate of need application.
2. Alliance Imaging, Inc. shall acquire one mobile MRI scanner with transporting equipment that will result in establishment of a mobile diagnostic program. The mobile MRI scanner shall be moved each week to provide MRI services to at least two host sites.
3. The mobile MRI scanner shall not, at any time, be converted to a fixed MRI scanner and such equipment shall not, at any time, serve less than two host sites each week. The acquisition of the mobile MRI scanner shall not result in the creation of a diagnostic center located at any of the host sites or any other facility owned, operated or otherwise affiliated with Alliance Imaging, Inc.
4. Alliance Imaging, Inc. shall not change or add host sites unless it first obtains a declaratory ruling authorizing the change in location of the equipment pursuant to North Carolina Statute 150B-4 and the rules of the Department of Health and Human Services, Division of Facility Services.
5. Alliance Imaging, Inc. shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application or that would otherwise require a certificate of need.

## TIMETABLE

Ordering equipment \_\_\_\_\_ March 15, 2005  
Operation of equipment \_\_\_\_\_ June 1, 2005



March 13, 2025

Mr. Mike McKillip, CON Analyst  
Mr. Greg Yakaboski, CON Analyst  
Ms. Micheala Mitchell, Chief  
Health Planning and Certificate of Need Section  
2704 Mail Service Center  
Raleigh, NC 27699-2704

Business Name: Alliance Health Services  
Business Number: 60  
CON#: F-7001-04  
ESP 37 Serial # 1M9A3A820BH022802 Siemens Espree  
ESP 23 Serial # 1S9FA482181183250 Siemens Espree

RE: Alliance Healthcare Services - Written Notice for Exemption from CON Review for the **Permanent Replacement of MRI Scanner ESP 23 (CON# F-7001-04) by ESP 37.**

Dear Mr. McKillip and Ms. Mitchell:

I am writing regarding the urgent need to permanently replace MRI scanner ESP23 due to significant maintenance needs. Please accept this notice of exemption to permanently replace ESP23 with ESP37 which is an existing mobile MRI scanner owned by Alliance and will be utilized as the permanent replacement MRI for this ESP 23. ESP 23 has been removed from use in NC.

CON# F-7001-04 was fulfilled by Alliance MRI ESP 23 which is a scanner that was properly reported in the 2024 NC MRI Equipment Inventory. ESP 37 (replacing ESP 23) will be serving the following host sites:

Raleigh Radiology Clayton  
11618 U.S. 70 Business  
Clayton, NC 27520

Raleigh Radiology Holly Springs  
1060 S Main Street  
Holly Springs, NC 27540

Southern Imaging Wilmington  
1602 Physicians Drive  
Wilmington, NC 28401

New Hanover Regional-Brunswick  
1333 South Dickinson Dr  
Leland, NC 28451

Pender Memorial Hospital-Burgaw  
507 East Fremont Street  
Burgaw, NC 28425

This letter provides justification and written notice regarding the replacement equipment in accordance with NCGS 131 E-184. Alliance Healthcare Services also provides documentation that the equipment conforms to



the Certificate of Need Laws and Administrative rules: GS 131E-184(a) (7) Exemptions from review to provide replacement equipment 10A NCAC 14C.0303 Replacement Equipment Administrative Rules.

#### Overview

This existing MRI scanner requires permanent replacement due to:

- Maintenance issues
- Service to the existing host site is disrupted if replacement MRI is not provided

#### Compliance Documentation

Compliance with G.S. 131E-176 (22a) Replacement Equipment Definition is evident because the temporary replacement scanner has a fair market value of \$300,00 which is far less than the \$2,000,000 threshold. The replacement MRI equipment will be used for the same diagnostic purposes as the existing equipment. In addition, Alliance is providing written notice to the Department in accordance with G.S. 131E-184 (a) (7) Exemption from Review to provide replacement equipment.

Applicability and Conformance with Administrative Rule 10A NCAC 14C.0303 Replacement Equipment  
Alliance Healthcare Services plans to use an existing mobile MRI as a permanent replacement. No equipment will be purchased. The temporary replacement equipment conforms to the rules as follows:

#### 10A NCAC 14C .0303 REPLACEMENT EQUIPMENT

(a) This Rule defines the terms used in the definition of "replacement equipment" set forth in G.S. 131E-176(22a).

Alliance Healthcare Services has reviewed this rule definition.

(b) "Currently in use" means that the equipment to be replaced has been used by the person requesting the exemption at least 10 times to provide a health service during the 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section.

Alliance Healthcare Services confirms that ESP 37 meets the definition of "currently in use" because the MRI scanner has operated/provided service greater than 10 times during the previous 12 months prior to the date of this written notice.

(c) Replacement equipment is not "comparable" if: (1) the replacement equipment to be acquired is capable of providing a health service that the equipment to be replaced cannot provide; or (2) the equipment to be replaced was acquired less than 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section and it was refurbished or reconditioned when it was acquired by the person requesting the exemption.

The replacement MRI scanner is comparable to the equipment being replaced because the permanent replacement equipment will be used to acquire the same types of MRI images and data. Alliance Healthcare Services certifies that the replacement mobile MRI equipment will be used for the same diagnostic purposes as the existing MRI unit.

The existing equipment, ESP 23, will be permanently replaced by ESP 37. Thank you for your review and consideration of this information. Please call me at 805.325.3078 if you have any questions.

Sincerely,

Tina Hair Hinshaw, MBA  
RVP, Mobile Operations Southeast Region  
805.325.3078 [tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)

CC: Rodney Skelding and Lisa Barrera, Managers of Operations Akumin